




STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



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TO: Members of the State Board of Education

FROM: Jeremy M. Hughes, Ph.D., Interim Superintendent 

DATE: May 3, 2005

**SUBJ: UPDATE REGARDING THE EDUCATION
REFORM AND FINANCE STUDY FOR PUBLIC
EDUCATION**

At the April meeting of the State Board of Education, a general discussion was held regarding the Education Reform and Finance Study. During February, the committee appointed by President Straus (Mrs. Straus, Mrs. Curtin, and Mr. Turner) met with the legislative leadership and the Governor to discuss this issue.

These discussions proved fruitful and many ideas were exchanged. It was agreed that this project needs to be taken to the next step. This report recommends that the State Board of Education seek state funding to implement the study discussed below. If state funding is not made available, it is recommended that support be sought from private funding sources.

The study being envisioned is extremely serious and complex. If properly implemented, this study will provide a blueprint for education best practices. Once begun, it is expected the study will take at least 18 months to complete. This study will effectively examine issues relevant to develop proposals and recommendations concerning how Michigan K-12 public education services will operate and be financed.

Specifically, the study will focus on how K-12 education services:

- Can be organized effectively and efficiently.
- Can be financed to support effective and efficient education services.
- Can be financed to provide appropriate and sustainable resources that support achievement and positive educational outcomes for all Michigan students.
- Can successfully support continued postsecondary educational opportunities.
- Can successfully support early childhood educational needs.

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Topics to be examined and specific questions and issues to be examined within these topics include:

1. School Organization and Delivery of Services

What does current research tell us about the strengths and weaknesses of Michigan's current framework and pattern of school organization and service delivery?

What can we learn from existing research regarding school organization and service delivery models from around the country/world?

What are major variants and approaches to school organization and service delivery within Michigan, and in other states and communities?

What does current research tell us concerning their:

- Strengths/weaknesses,
- Impact on achievement/student outcomes,
- Impact on historically under-achieving populations
- Educational costs?

What changes and/or best practices follow that may be productive models for Michigan to consider?

What are implications and potential recommendations from this analysis when applied to Michigan's current school organization and service delivery model? Topics to be addressed include:

- Roles of LEAs and ISDs.
- Shared and unique services of ISDs and LEAs.
- Size, organization, and management of ISDs, LEAs, and schools.
- Relationships between LEAs, ISDs, and Postsecondary Education Institutions.

2. Education Finance

What does existing research analysis suggest are major strengths and weaknesses of Michigan's current education financing framework, which was built on Proposal A?

What are the implications and areas of potential change and reform to better support effective, efficient, and sustainable educational services?

What are major school financing reforms at work in other states? What are potential implications for Michigan school finance?

What are the implications of NCLB for Michigan's ongoing school finance picture?

What are issues and approaches regarding financing teacher salary and benefits in Michigan and other states/communities with similar collective bargaining arrangements?

What are the relationships between K-12 and postsecondary education finance in Michigan? Are there education-financing arrangements that support and link K-12 with continuing postsecondary learning?

What are recommended changes/approaches to school finance in Michigan both operating and infrastructure?

It is believed that the concepts recommended for this study would be necessary to provide the full and broad-range overview of necessary changes in the way we operate and finance public schools in Michigan. It is expected that the State Board of Education in consultation with the Legislature, the Governor and key education stakeholders will continue to define the scope of this study.